

EXHIBIT C

Agreement between Joint Applicants and Spring Island Property Owners Association

CONSENT TO ASSIGNMENT AND ASSUMPTION

THIS CONSENT TO ASSIGNMENT AND ASSUMPTION (this “Consent”) is made and entered into as of this 28th day of August, 2020, by and among Spring Island Property Owners Association (the “Consenting Party”), CUC, Inc. (“Assignor”), and South Carolina Water Utilities – CUC, Inc. (“Assignee”).

In connection with the sale by Assignor of its business to Assignee (the “Transaction”), the Consenting Party hereby consents to the assignment to Assignee of the certain Water and Sewer Facility Sales and Operating Agreement, dated as of July 20, 1990 by and among Assignor, the Consenting Party (by assignment from Spring Island Company, LP) and Callawassie Island Property Owners Association (by assignment from Callawassie Island Company, LP) (as amended, the “Agreement”), such assignment being effective upon the closing of the Transaction. The Consenting Party and Assignee further acknowledge that the Agreement shall continue following the closing of the Transaction in full force and effect in accordance with the terms and conditions thereunder.

The Consenting Party acknowledges that effective upon the closing of the Transaction, Assignee shall assume the liabilities and obligations of Assignor under the Agreement to the extent that such liabilities or obligations first arise or accrue on or after the closing. Upon the closing of the Transaction, Assignee agrees to be bound by the terms and conditions of the Agreement.

The Consenting Party’s consent to the assignment of the Agreement to Assignee is contingent upon, and by its execution hereof, Assignee hereby acknowledges, confirms and agrees to the following:

1. If (i) the Consenting Party supports Assignee's filing with the South Carolina Public Service Commission (the “PSC”) seeking approval of the Transaction (by delivering an executed letter on terms substantially similar to the form attached hereto as Exhibit A); (ii) the Consenting Party files said letter with the PSC within thirty (30) days of notice from Assignee that it has filed its Application (as defined in the attached form of support letter) with the PSC and (iii) the closing of the Transaction occurs, then Assignee will not apply for a rate increase with the applicable governmental authorities until January 1, 2025 at the earliest.
2. If Assignee discovers that any of the systems, equipment or assets of Assignor violate any applicable law or governmental regulations, or otherwise pose a threat or create a risk to human health or the environment, Assignee will remedy such deficiencies or defects in an expedient manner and will not (other than in connection with a general rate increase before the PSC, which Assignee acknowledges it will not apply for until January 1, 2025 at the earliest) pass any costs associated with such remedial efforts on to the Consenting Party.
3. The Agreement and governing documents of the Consenting Party contemplate the installation of private wells for, among other things, irrigation and water-source heating and cooling systems. Assignee acknowledges that all wells installed on or before the date of this Consent shall be permitted to remain and continue to be used in the capacity being used as of the date of this Consent. In addition, future installations of wells for the purpose of irrigation and water-source heating and cooling systems, in accordance with the terms of the Agreement and the Consenting Party’s governing documents, shall be permitted to be installed without interference from Assignee.

4. Assignor and Assignee acknowledge that that nothing contained herein shall operate as a waiver of the Consenting Party's right of first refusal (as set forth in the Agreement) if the Transaction does not close, nor the Consenting Party's right of first refusal in the event of a subsequent sale of the outstanding shares of, controlling interest in, or assets of, Assignee.

This Consent shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns. In the event that the Transaction is not consummated for any reason, then this Consent shall be null and void and of no force or effect. This Consent may be executed in multiple original or electronic counterparts, each of which is an original, but all of which shall constitute one instrument. This Consent shall be construed in accordance with the laws of the State of South Carolina. In the event it becomes necessary for either party hereto to file suit to enforce this Consent or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages, as provided herein, reasonable attorneys' fees, paralegal fees, and costs incurred in such suit at trial, appellate, bankruptcy, and/or administrative proceedings.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Consent to be executed as of the date first written above by their respective officers thereunto duly authorized.

CONSENTING PARTY:

Spring Island Property Owners Association

By: David A. Westerlund
Name: David A. Westerlund
Title: President

ASSIGNOR:

CUC, Inc.

By: Susan B Mikell

Name: Susan B. Mikell

Title: President

ASSIGNEE:

South Carolina Water Utilities – CUC, Inc.

By: Craig Sorensen

Name: Craig Sorensen

Title: President

Exhibit A
Form of Support Letter

August _____, 2020

The Honorable Jocelyn G. Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Docket No. 2020-____-WS. Joint Application for Approval of the Sale of Assets and Transfer of Facilities, Territory and Certificate of Public Convenience and Necessity (the "Application") from CUC, Inc. ("CUC") to South Carolina Water Utilities, Inc. – CUC ("SCWU-CUC").

Dear Ms. Boyd:

I write to notify the Commission that the Spring Island Property Owners Association ("SIPOA") does not object to the above-referenced application. SIPOA, CUC and South Carolina SCWU-CUC have entered into the attached "Consent to Assignment and Assumption", which provides, among other things, that SCWU-CUC will not apply for a rate increase before January 1, 2025, if the Commission approves the transaction contemplated by the Application.

Sincerely,

Enclosure

EXHIBIT D
Agreement between Joint Applicants and
Callawassie Island Property Owners
Association

CONSENT TO ASSIGNMENT AND ASSUMPTION

THIS CONSENT TO ASSIGNMENT AND ASSUMPTION (this "Consent") is made and entered into as of this 2nd day of September, 2020, by and among Callawassie Island Property Owners Association (the "Consenting Party"), CUC, Inc. ("Assignor"), and South Carolina Water Utilities – CUC, Inc. ("Assignee").

In connection with the sale by Assignor of its business to Assignee (the "Transaction"), the Consenting Party hereby consents to the assignment to Assignee of the certain Water and Sewer Facility Sales and Operating Agreement, dated November 4, 1983 by and among Assignor, the Consenting Party (by assignment from Callawassie Island Company, L.P., by assignment from Callawassie Development Corporation, by assignment from Callawassie Island, Ltd. Partnership, by assignment from Three Fountain View Corporation) (the "Callawassie Agreement") and of the certain Water and Sewer Facility Sales and Operating Agreement, dated as of July 20, 1990 by and among Assignor, the Consenting Party (by assignment from Callawassie Island Development Company, LP) and Spring Island Property Owners Association (by assignment from Spring Island Company, LP) (as amended, the "Agreement"), such assignment being effective upon the closing of the Transaction. The Consenting Party and Assignee further acknowledge that the Callawassie Agreement and the Agreement shall continue following the closing of the Transaction in full force and effect in accordance with the terms and conditions thereunder.

The Consenting Party acknowledges that effective upon the closing of the Transaction, Assignee shall assume the liabilities and obligations of Assignor under the Callawassie Agreement and the Agreement to the extent that such liabilities or obligations first arise or accrue on or after the closing. Upon the closing of the Transaction, Assignee agrees to be bound by the terms and conditions of the Callawassie Agreement and the Agreement.

The Consenting Party's consent to the assignment of the Callawassie Agreement and the Agreement to Assignee is contingent upon, and by its execution hereof, Assignee hereby acknowledges, the following:

1. If (i) Consenting Party supports Assignee's filing with the South Carolina Public Service Commission (the "PSC") seeking approval of the Transaction (by delivering an executed letter on terms substantially similar to the form attached hereto as Exhibit A); (ii) Consenting Party files said letter with the PSC within thirty (30) days of notice from Assignee that it has filed its Application (as defined in the attached form of support letter) with the PSC and (iii) the closing of the Transaction occurs, then Assignee will not apply for a rate increase with the applicable governmental authorities until January 1, 2025 at the earliest.
2. If Assignee discovers that any of the systems, equipment or assets of Assignor violate any applicable law or governmental regulations, or otherwise pose a threat or create a risk to human health or the environment, Assignee will remedy such deficiencies or defects in an expedient manner and will not (other than in connection with a general rate increase before the PSC, which Assignee acknowledges it will not apply for until January 1, 2025 at the earliest) pass any costs associated with such remedial efforts on to the Consenting Party.

3. Assignor and Assignee acknowledge that nothing contained herein shall operate as a waiver of the Consenting Party's right of first refusal (as set forth in the Callawassie Agreement and the Agreement) if the Transaction does not close, nor the Consenting Party's right of first refusal in the event of a subsequent sale of the outstanding shares of, controlling interest in, or assets of, Assignee.

This Consent shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns. In the event that the Transaction is not consummated for any reason, then this Consent shall be null and void and of no force or effect. This Consent may be executed in multiple original or electronic counterparts, each of which is an original, but all of which shall constitute one instrument. This Consent shall be construed in accordance with the laws of the State of South Carolina. In the event it becomes necessary for either party hereto to file suit to enforce this Consent or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages, as provided herein, reasonable attorneys' fees, paralegal fees, and costs incurred in such suit at trial, appellate, bankruptcy, and/or administrative proceedings.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Consent to be executed as of the date first written above by their respective officers thereunto duly authorized.

CONSENTING PARTY:

Callawassie Island Property Owners Association

By: Clifford A. Dykes

Name: Clifford A. Dykes

Title: President of Callawassie Island
Property Owners Association

Signature Page to Consent to Assignment and Assumption

ASSIGNOR:

CUC, Inc.

By: Susan B. Mikell
Name: Susan B. Mikell
Title: President

ASSIGNEE:

South Carolina Water Utilities – CUC, Inc.

By:  _____

Name: CRAIG SORENSEN

Title: PRESIDENT

Signature Page to Consent to Assignment and Assumption

Exhibit A

Form of Support Letter

August 25, 2020

The Honorable Jocelyn G. Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Docket No. 2020 - - WS. Joint Application for Approval of the Sale of Assets and Transfer of Facilities, Territory and Certificate of Public Convenience and Necessity from CUC, Incorporated to South Carolina Water Utilities, Inc. – CUC

Dear Ms. Boyd:

I write to notify the Commission that the Callawassie Island Property Owners Association (“CIPOA”) does not object to the above-referenced application. CIPOA, CUC, Inc., and South Carolina Water Utilities – CUC, Inc. (“SCWU – CUC”) have entered into the attached “Consent to Assignment and Assumption” which provides, among other things, SCWU-CUC will not apply for a rate increase before January 1, 2025, if the Commission approves the transaction.

Sincerely,

Enclosures (1)

WAIVER OF RIGHT OF FIRST REFUSAL

WHEREAS, Callawassie Island Property Owners Association ("CIPOA"), pursuant to that certain Water and Sewer Facility Sales and Operating Agreement (the "Callawassie Agreement"), dated as of November 4, 1983 by and among CUC, Inc. ("CUC") and CIPOA (by assignment from Callawassie Island Company, L.P., by assignment from Callawassie Development Corporation, by assignment from Callawassie Island Ltd. Partnership, by assignment from Three Fountain View Corporation), has a right of first refusal to purchase all of the issued and outstanding shares, assets, or a controlling interest therein of CUC in the event CUC or its sole shareholder, BWB, Inc., offers to sell, or enters into an agreement to sell such shares, assets or controlling interest, upon the same terms and conditions of any bona fide offer to or from any bona fide purchaser; and

WHEREAS, CIPOA, pursuant to that certain Water and Sewer Facility Sales and Operating Agreement (as amended, the "Agreement"), dated as of July 20, 1990 by and among CUC, CIPOA (by assignment from Callawassie Island Company, LP) and Spring Island Property Owners Association (by assignment from Spring Island Company, LP) has a right of first refusal to purchase all of the issued and outstanding shares, assets, or a controlling interest therein of CUC in the event CUC offers to sell, or enters into an agreement to sell such shares, assets or controlling interest, upon the same terms and conditions of any bona fide offer to or from any bona fide purchaser; and

WHEREAS, CIPOA has now been informed that CUC has received a bona fide offer to purchase its assets from South Carolina Water Utilities - CUC, Inc. ("Buyer"), CIPOA has entered a Mutual Confidentiality Agreement with CUC regarding said offer, and CIPOA has been in contact with CUC and representatives of Buyer to review the terms of that offer.

NOW, THEREFORE, CIPOA, through its undersigned officer, hereby asserts and acknowledges as follows:

CIPOA has received information regarding the terms and conditions of the offer to purchase the assets of CUC.

After a meeting with its officers authorized to make decisions on its behalf, CIPOA hereby waives, releases and relinquishes, its right of first refusal only as to the offer of Buyer to purchase the assets of CUC as noticed to CIPOA in CUC, Inc.'s May 4, 2020 correspondence to it and disclosed to CIPOA on July 14, 2020; provided, however, that nothing contained herein shall operate as a waiver or relinquishment of CIPOA's right of first refusal if CUC does not close on the sale of its assets to Buyer on the specific terms disclosed to CIPOA, nor CIPOA's right of first refusal in the event of a subsequent sale of the outstanding shares or controlling interest in, or assets of, the Buyer.

By signing below, the undersigned asserts that he is fully authorized to sign this Waiver of Right of First Refusal on behalf of CIPOA.

Witness my hand and seal this 2nd day of September, 2020.

WITNESS:

Lindsey Coder

Name: Lindsey Coder

expires: Feb. 8, 2020

CALLAWASSIE ISLAND PROPERTY OWNERS ASSOCIATION:

By: 

Name: Clifford A. Dykes

Its: President of
Callawassie Island
Property Owners
Association

EXHIBIT E
Service Territory Map

